

Of The Co-Operative Federation of Victoria Ltd.
Gateway House, Suite 411, 449 Swanston Street, Melbourne.
GPO Box 5211AA, Melbourne, Vic 3001. Phone: (03) 663 1674

Co-op information project

In response to a growing interest in the Co-operative movement and the lack of general resource material available on co-operatives, the Federation recently began an information and newsletter project.

The purpose of the newsletter is to keep you informed of events in the co-operative sector and act as a medium through which information can be exchanged.

By exchanging information the experience of one co-operative may provide a solution for another.

By sharing concerns and voicing needs Co-operative solutions to common problems may be found.



As well as being widely circulated throughout the co-operative sector the newsletter will be sent to politicians and government departments.

The Federation believes that there is a great need to publicise the co-operative sector to a wider audience and a particular need to ensure that government departments are aware of the difficulties and issues faced by co-operatives.

All co-operatives will be able to make use of the newsletter. If you have an event to publicise, a problem to discuss or simply a message you wish to communicate; contact Jo Healy-North.

CO-OP NEWS IN BRIEF

THE FOOD CO-OP PILOT PROJECT

The Victorian Food Co-operative Study Group has worked on behalf of food co-operatives in the state since February 1984. Original research identified the need for two main areas of development in the sector. To address problems of purchasing and supply faced by food co-ops, a proposal for a central warehouse has been completed. Parallel to this need for access to supplies, food co-ops required ongoing resourcing in the form of education and training and it is also proposed that a Resource Centre be established.

Currently, the Study Group is piloting the Resource Centre proposal, with particular reference to low income and migrant groups. Both existing food co-operatives and those engaged in setting up are participating in the study.

The food co-operatives, in conjunction with the study group workers, have identified their major areas of education and training needs and have piloted resourcing strategies. This involves a variety of functions, including liaison between the food co-ops and existing educational facilities and direct consultative work on the part of the Study Group workers.

A report, detailing the pilot procedure, analysis of the findings and including a proposal for the establishment of a permanent Resource Centre will be published later this year.

TRISH LUKER

COMPANIES CODE

A consultative meeting between MACC and co-operatives incorporated under the companies code is being

arranged to discuss the proposed new co-operative legislation. Co-operatives will be individually contacted and invited to attend.

WORK CARE

Changes to workers compensation requirements became effective from the 1st September. All co-operatives should obtain a leaflet from post offices, which explains the new proposal, and ensure that they register.

EDUCATION AND TRAINING

A report by Brian Greer and Geoff Meredith on co-operative education and training commissioned by the Ministerial Advisory Committee on Co-operation (MACC) is available from the Co-operative Federation of Victoria.

CO-OPERATIVE FEDERATION OF VIC. CONFERENCE

Nov. 28, 1985
9.00am — 5.00pm
Fee \$40.00

*(Includes lunch, tea, coffee and
seminar papers)*

AGORA CINEMA

**LA TROBE UNIVERSITY
BUNDOORA**

Registration Deadline
Nov. 21, 1985

Enquiries:
Registration: (03) 478 3122 x2572

Program: (03) 663 1674

NEW ADDRESS FOR FEDERATION

The Federation has moved to serviced offices. This gives members free access to facilities for:

- MEETINGS
- SEMINARS

AND
Catering is Available

CONTACT
TONY MILLER
EXECUTIVE OFFICER
JO HEALY-NORTH
INFORMATION OFFICER

GATEWAY HOUSE
SUITE 441
449 SWANSTON ST
PHONE (03) 663 1674

FINANCING CO-OPERATIVES

Without adequate care co-operatives can find themselves short of funds and unable to maintain the level of investment required to remain competitive. They find themselves progressively losing members, paying reduced member rebates and faced with serious viability questions.

Some co-operatives have addressed this issue and have developed innovative solutions to the funding problem.

Revolving capital funds, member deposits, debentures and share issues are amongst the solutions. Retained earnings even if tax is payable are still important. co-operative members may need to be educated as to the importance of a sound financial base and the need to ensure that resources are available to remain competi-

tive. Co-operatives must become aware of the dangerous formula of control resting in the hands of dry, inactive shareholders, insufficient funds and the ever present threat of a corporate raider who is more than willing to exploit the situation and strip a co-operative of its assets.

In recent years many co-operatives have been unable to survive and are now absorbed into other businesses. Their members no longer enjoy the benefits of using their own enterprise.

This is an important issue. The CFV is proposing to run a seminar to discuss the question of financing co-operatives and is interested in receiving comments from co-operatives —Details of problems faced, solutions or mere expressions of interest in attending would be welcome.

Legislative Change

The Ministerial Advisory Committee on Co-operation is drawing towards its final report and the process of drafting a new Co-operation Act has begun.

One of the main aims of the new legislation which is to be drafted in simple english is to provide a clear identity for the co-operative sector. A definition of a co-operative will be included in legislation and the use of the name co-operative will be restricted.

Many of the present restrictions of the the current Co-operation Act are being removed, individual co-operatives will be granted increased freedom to develop their own rules.

MACC is also proposing that the Government should actively promote the co-operative model. And that resources should be made available to promote and develop co-operatives. Co-operatives should be recognised equally as legitimate forms of business organisation and should not be disadvantaged by restrictive legislation.

MACC has found the popular notion that co-operatives are charitable organisations to be wrong. The truth is that co-operatives have made significant contributions to both social and economic development in Victoria over many years.

They have provided the opportunity for many individuals to satisfy common needs by organising and

owning their own enterprise.

The co-operative model is not outdated. 66% of Australia's dairy industry is still handled by farmer owned dairy co-operatives. Credit co-operatives play a significant role in many communities, providing access to savings and loans facilities at competitive rates.

More recently the co-operative model is being used by members of the committee to address problems of housing, unemployment and some community services.

MACC believes that there is significant interest in the community in co-operatives which could be realised by providing the necessary legislative base, resources and encouragement.